

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0640-03
Bill No.: HCS for HB 74
Subject: Sewers and Sewer Districts; Water Resources and Water Districts; Elections
Type: Original
Date: April 2, 2013

Bill Summary: This proposal changes the laws regarding political subdivisions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

FISCAL ANALYSIS

ASSUMPTION

§ 44.080 and 49.266 - Natural or Man-Made Disaster Ordinances:

Oversight assumes these sections authorize any county commission, municipality, or fire protection district to adopt an order or ordinance, including a burn ban order, regarding its emergency management functions as they relate to a natural or man-made disaster.

Oversight assumes the section is permissive and, for fiscal note purposes only, will show no direct fiscal impact from this proposal on local government funds.

§ 67.1368 and 94.1060 - Transient Guest Taxes:

Oversight assumes this proposed section permits Douglas and Montgomery County along with the cities of Ava and Montgomery City to authorize a transient guest tax, upon voter approval, of not more than 5% per occupied room, per night, to be used for the promotion of tourism.

For fiscal note purposes only, **Oversight** will assign no direct fiscal impact to local government funds since the section is permissive and dependent upon voter approval.

§ 67.313 - Sewer Line Fees:

In response to the previous version of this proposal, officials from the **City of Columbia** assumed voter approval is required to increase revenue and it is up to each city governing body to authorize this option. The City assumes this section would have no fiscal impact in its current form.

In response to the previous version of this proposal, officials from the **City of Kansas City (KC)** assume costs to the City's sewer system will not change with passage of this proposal.

KC assumed the allocation of its cost will change and cause certain ratepayers to pay costs not related to their contribution to the sewer system.

Oversight assumes this section is permissive in nature and would have no local fiscal impact without action by the governing body and approved by a majority of voters. **Oversight** will show no direct fiscal impact from this section on local government funds.

ASSUMPTION (continued)

§§ 67.457, 67.463, 67.469, 67.1521, 139.160, 139.170, 140.050, 140.115, 140.150, 140.160, 140.230, 140.290, 140.300, 140.405, 140.460, 140.470, 140.665, and 140.730 - Collection of Delinquent Property Taxes and Special Assessments

In response to similar legislation from 2013 (HCS for HB 175), officials from the **Boone County Collector** assumed the changes in this proposal will reduce revenue to county general revenue and some programming costs will occur to remove the fees from our collection and distribution software. Those amounts are unknown but assumed to be negligible.

In response to similar legislation from 2013 (SB 83), officials at the **St. Louis County Collector** assumed the removal of the purchase certificate fee, based on 2012 sale figures, would result in a minimal loss in revenue to the county.

In response to similar legislation from 2013 (HB 568), officials at the **City of Kansas City** assumed the extent of revenue losses to the city is dependent upon the extent to which Jackson County elects to collect or deduct a fee from the special assessment collections.

Officials from the **Office of Administration - Division of Budget and Planning (BAP)** assume section 67.463 changes procedures for local government officials and laws regarding property tax collections. This will have no impact on general and total state revenues. However, changes to the fee schedules for county collectors could impact the calculation in Article X, Section 18(e).

BAP assumes section 140.470 deletes the discretion of county collectors to assess a \$1.50 fee for filing tax deeds. This action may reduce revenue for the purposes of 18(e) calculations.

Oversight assumes a minimal impact less than \$100,000 to local county government funds from the elimination of a fee for certain tax deeds.

§ 72.080 - Petitions for Incorporation in Jefferson County:

Oversight assumes this proposed section is dependent upon a petition to incorporate a proposed area failing to be adopted in Jefferson County. Upon failure of the petition, the petition cannot be resubmitted for approval, to the governing body, for the next three years. For fiscal note purposes only, **Oversight** will show no direct fiscal impact from this proposal on Jefferson County.

ASSUMPTION (continued)

§ 79.070 - Qualification Age of Aldermen:

Oversight assumes this section lowers the age of qualification of aldermen in cities of the fourth classification from 21 to 18 years of age.

Oversight assumes there is no fiscal impact from this section on state or local government funds.

§ 94.841 - City of Liberty Transient Guest Tax:

Oversight assumes this section permits the City of Liberty to authorize a transient guest tax upon voter approval and, for fiscal note purposes only, will assign no direct fiscal impact to local government funds.

Bill as a Whole:

Officials from the **Office of the Secretary of State, Office of State Courts Administrator, State Treasurer's Office, Department of Public Safety - Division of Fire Safety, Department of Public Safety - Missouri State Emergency Management Agency, Department of Insurance, Financial Institutions and Professional Registration, Missouri Tax Commission, Department of Conservation, Department of Transportation, Office of the Attorney General, and St. Louis County** each assume the proposal would not fiscally impact their respective agencies.

In response to the previous version of this proposal, officials from the **Metropolitan St. Louis Sewer District** assumed this proposal would not fiscally impact their respective agencies.

Officials from numerous cities, and sewer and water districts did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
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LOCAL POLITICAL SUBDIVISIONS

<u>Loss - Counties §140.290</u> Elimination of Tax Deed Fees	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
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ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal, unless a political subdivision imposes the lateral sewer service line fee.

FISCAL DESCRIPTION

§140.290 - Elimination of Tax Deed Fees:

This proposal eliminates specific language authorizing fees of twenty-five and fifty cents that the county collector is authorized to collect when recording a certificate of purchase of land sold at a tax sale. The collector will continue to be authorized to receive the fee necessary to record the certificate of purchase. The proposal eliminates language authorizing a one dollar and fifty cent fee for certain tax deeds.

The fee may be added to the general tax levy bill of the property owner and collected in the same manner as delinquent real estate taxes and tax bills. This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration -
 Division of Budget and Planning
Office of the Secretary of State
Office of State Courts Administrator
State Treasurer's Office
Department of Public Safety -
 Division of Fire Safety
Department of Public Safety -
 Missouri State Emergency Management Agency
Department of Insurance, Financial Institutions and Professional Registration
Missouri Tax Commission
Department of Conservation
Department of Transportation
Office of the Attorney General
St. Louis County
Metropolitan St. Louis Sewer District
City of Columbia
City of Kansas City
Boone County Collector
St. Louis County Collector

Not Responding:

Numerous Cities
Numerous Water and Sewer Districts



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Acting Director
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